

**CHAPTER 313 PROPERTY VALUE LIMITATION  
FINANCIAL IMPACT OF THE PROPOSED WOODVILLE  
LUMBER, INC PROJECT IN THE WOODVILLE  
INDEPENDENT SCHOOL DISTRICT**

**PREPARED BY**



**NOVEMBER 3, 2014**

## Executive Summary

Woodville Lumber, Inc (Company) has requested that the Woodville Independent School District (WISD) consider granting a property value limitation under Chapter 313 of the Tax Code, also known as the Texas Economic Development Act. In an application submitted to WISD on May 19, 2014 the Company plans to invest \$113.6 million to construct a manufacturing facility. Moak, Casey & Associates (MCA) has been retained to prepare an analysis of this value limitation and help the district navigate the overall application and agreement process.

The Woodville Lumber project is consistent with the state's goal to "encourage large scale capital investments in this state." When enacted as House Bill 1200 in 2001, Chapter 313 of the Tax Code granted eligibility to companies engaged in manufacturing, research and development, and renewable electric energy production to apply to school districts for property value limitations. Subsequent legislative changes expanded eligibility to clean coal projects, nuclear power generation and data centers, among others.

Under the provisions of Chapter 313, WISD may offer a minimum value limitation of \$20 million. This value limitation, under the proposed application, will begin in 2015-16 and remain at that level of taxable value for Maintenance and Operations (M&O) tax purposes for ten years. The entire project value will remain taxable for I&S or debt service purposes for the term of the agreement.

MCA's initial school finance analysis is detailed in this report. The overall conclusions are as follows, but please read all of the subsequent details in the report below for more information.

Total Revenue Loss Payment owed to WISD	\$108,663
Total Savings to Company after Revenue Loss Payment. (This does not include any supplemental benefit payments to the District.)	\$7,364,979

## Application Process

After the school district has submitted an application to the Comptroller's Office (Comptroller), the Comptroller begins reviewing the application for completeness. The purpose of this review is to ensure all necessary information and attachments are included in the application before moving forward with the formal review process. At the time the application is determined complete—typically 4-6 weeks after receipt—the Comptroller will deliver a Completeness Letter to the company and the school district. For this project, the Completeness Letter was issued on June 25, 2014.

The issuance of a Completeness Letter is important because it sets the timeline for the rest of process. From the date of issuance, the Comptroller has 90 days to conduct its full

review of the project and provide its certificate for a limitation on appraised value. After the certificate is received, the district has until the 150<sup>th</sup> day from the receipt of the Completeness Letter or until December 31<sup>st</sup>, whichever is earlier, to adopt an agreement. The Certificate for this project was issued on August 29, 2014.

Each value limitation agreement is unique and to ensure the proper revenue-loss protection and maximum supplemental benefits are in place, an understanding of the school district's finances and a thorough knowledge of the Ch. 313 statute are required. MCA and O'Hanlon, McCollom & Demerath will ensure the best interests of WISD are secured. After the Comptroller's certificate is received, O'Hanlon, McCollom & Demerath will contact the school district to discuss the value limitation agreement and begin negotiations of the supplemental benefit payment with the Company. A final version of the agreement must be submitted to the Comptroller for review prior to final adoption by the school district's board of trustees.

At the final board meeting, the school board will review the Value Limitation Agreement and Findings of Fact that detail the project's conformance with state law. In some instances, the school board may also be required to adopt a job waiver or create a reinvestment zone during this meeting. Prior to this meeting, O'Hanlon, McCollom & Demerath will provide the district with the necessary agenda language and any additional action items.

## How the 313 Agreement Interacts with Texas School Finance

M&O funding for Texas schools relies on two methods of finance: local school district property taxes and state aid. State aid consists of three components: Tier I, Tier II and additional state aid for tax reduction.

**Tier I** provides state funding based on ADA and special student populations, as well as transportation. The local funds for Tier I are M&O taxes raised at the compressed tax rate—\$1.00 per \$100 of taxable value for most school districts (less any recapture payments owed to the state from high property-wealth school districts).

**Tier II** guarantees a specific amount of funding per student in weighted average daily attendance for each penny of a school district's tax effort above a specified level. There are two levels of Tier II funding—funding under the six so-called golden pennies and the eleven so-called copper pennies. Voter approval is required in most cases to access the last two golden pennies and the eleven copper pennies.

**Additional State Aid for Tax Reduction (ASATR)** guarantees a school district a set amount of state and local M&O funds per student in weighted average daily attendance to compensate for the mandatory reduction in, or compression of, the local M&O tax rate that was adopted in 2005 or 2006. For more detailed information on the school finance funding system, please review the Texas Education Agency's [School Finance 101: Funding of Texas Public Schools](#). For the 2014-15 school year it is estimated that 230 school districts will receive ASATR hold-harmless funding (\$335 million in state funding). ASATR funding is expected to be eliminated by the 2017-18 school year under current law.

For a school district that approves a Chapter 313 value limitation, the first year is often problematic financially. The implementation of the value limitation often results in an M&O revenue loss to the school district in the first year of the limitation that would not be reimbursed by the state, but require some type of compensation from the Company under the revenue protection provisions of the agreement. This is because the general school finance formula system calculates state aid entitlements using the property value for the preceding year as certified by the Comptroller.

School districts that receive ASATR funding may not require as large of a company revenue-loss payment as those districts that are considered to be on "formula". **As ASATR is reduced, more districts will be considered on "formula" and the revenue losses may be greater than anticipated in the initial revenue-loss estimates.**

WISD does receive ASATR funding, with a small additional ASATR state aid offset expected in the initial 2016-17 imitation year under current law. In most instances smaller revenue losses would be anticipated in years 2-10 of the limitation when the state M&O property values are aligned at the minimum value established by the Board on both the local tax roll and the corresponding state property value study. **If the full value of the project increases significantly during the value limitation period, the revenue losses may be greater than originally estimated.**

A taxpayer receiving a value limitation pays M&O taxes on the reduced value for the project in years 1-10 and receives a tax bill for I&S taxes based on the full project value throughout the qualifying and value limitation period (and thereafter).

Future legislative action on school funding could potentially affect the impact of the value limitation on the school district's finances and result in revenue-loss estimates that differ from the estimates presented in this report.

### **Underlying School District Data Assumptions**

A key element in any analysis of the school finance implications of a Chapter 313 agreement is the provision for revenue protection in the agreement between the school district and the applicant. The agreement calls for a calculation of the revenue impact of the value limitation in years 1-10 of the agreement, under whatever school finance and property tax laws are in effect in each of those years. This meets the statutory requirement under Section 313.027(f)(1) of the Tax Code to provide school district revenue-protection language in the agreement. This approach also reduces guess work as to future changes in school finance and property tax laws.

Student enrollment counts are held constant at 1,248 students in average daily attendance (ADA) in analyzing the effects of the project on the finances of WISD. The District's local tax base reached \$859.1 million for the 2014 tax year (the most recent year available) and is maintained at that level for the forecast period in order to isolate the effects of the property value limitation. An M&O tax rate of \$1.04 per \$100 is used throughout this analysis. WISD has estimated 2014-15 state property wealth per weighted ADA or WADA of approximately

\$373,751. Table 1 summarizes the enrollment and property value assumptions for the 15 years that are the subject of this analysis.

The M&O tax rate for the 2027-28 school year reflect the impact of the Chapter 313 project value returning to the total tax roll for M&O funding purposes, which could result in a lower M&O tax rate. For the purposes of these estimates, it is assumed that the current M&O tax rate in year 11 of the limitation agreement would be reduced slightly from the \$1.04 per \$100 M&O rate shown in Table 1 to \$0.925 per \$100 and then return to the \$1.04 M&O tax rate. The lower M&O rate is reflected for that year in the limitation model shown below.

The general approach used here to analyze the future revenue stream of the school district under a value limitation is to maintain static enrollment and property values in order to isolate the effects of the value limitation under the school finance system. ASATR is continued under the current funding elements until the 2017-18 school year.

**Table 1 – Base District Information with Woodville Lumber, Inc Project Value and Limitation Values**

Year of Agreement	School Year	ADA	WADA	M&O Tax Rate	I&S Tax Rate	CAD Value with Project	CAD Value with Limitation	CPTD with Project	CPTD With Limitation	CPTD Value with Project per WADA	CPTD Value with Limitation per WADA
Pre-Year 1	2014-15	1,248.14	2,035.93	\$1.0400	\$0.0750	\$859,117,394	\$859,117,394	\$760,931,107	\$760,931,107	\$373,751	\$373,751
1	2015-16	1,248.14	2,035.93	\$1.0400	\$0.0750	\$663,891,253	\$624,470,148	\$831,631,357	\$831,631,357	\$408,477	\$408,477
2	2016-17	1,248.14	2,035.93	\$1.0400	\$0.0750	\$718,062,156	\$624,470,148	\$636,405,216	\$596,984,111	\$312,587	\$293,224
3	2017-18	1,248.14	2,035.93	\$1.0400	\$0.0750	\$712,659,947	\$624,470,148	\$690,576,119	\$596,984,111	\$339,194	\$293,224
4	2018-19	1,248.14	2,035.93	\$1.0400	\$0.0750	\$708,663,295	\$624,470,148	\$685,173,910	\$596,984,111	\$336,541	\$293,224
5	2019-20	1,248.14	2,035.93	\$1.0400	\$0.0750	\$704,649,975	\$624,470,148	\$681,177,258	\$596,984,111	\$334,578	\$293,224
6	2020-21	1,248.14	2,035.93	\$1.0400	\$0.0750	\$700,619,989	\$624,470,148	\$677,163,938	\$596,984,111	\$332,607	\$293,224
7	2021-22	1,248.14	2,035.93	\$1.0400	\$0.0750	\$696,573,336	\$624,470,148	\$673,133,952	\$596,984,111	\$330,627	\$293,224
8	2022-23	1,248.14	2,035.93	\$1.0400	\$0.0750	\$692,510,017	\$624,470,148	\$669,087,299	\$596,984,111	\$328,640	\$293,224
9	2023-24	1,248.14	2,035.93	\$0.9250	\$0.0750	\$840,088,237	\$776,128,354	\$665,023,980	\$596,984,111	\$326,644	\$293,224
10	2024-25	1,248.14	2,035.93	\$1.0400	\$0.0750	\$836,722,671	\$776,859,441	\$812,602,200	\$748,642,317	\$399,131	\$367,715
11	2025-26	1,248.14	2,035.93	\$1.0400	\$0.0750	\$833,417,788	\$833,417,788	\$809,236,634	\$749,373,404	\$397,478	\$368,074
12	2026-27	1,248.14	2,035.93	\$1.0400	\$0.0750	\$828,896,135	\$828,896,135	\$805,931,751	\$805,931,751	\$395,854	\$395,854
13	2027-28	1,248.14	2,035.93	\$1.0400	\$0.0750	\$824,374,482	\$824,374,482	\$801,410,098	\$801,410,098	\$393,633	\$393,633
14	2028-29	1,248.14	2,035.93	\$1.0400	\$0.0750	\$819,852,829	\$819,852,829	\$796,888,445	\$796,888,445	\$391,412	\$391,412
15	2029-30	1,248.14	2,035.93	\$1.0400	\$0.0750	\$815,331,176	\$815,331,176	\$792,366,792	\$792,366,792	\$389,192	\$389,192

\*Basic Allotment: \$5,040; AISD Yield: \$61.86; Equalized Wealth: \$504,000 per WADA

### M&O Impact of the Woodville Lumber project on WISD

School finance models were prepared for WISD under these assumptions through the 2029-30 school year. Under the proposed agreement, a model is established to make a calculation of the “Baseline Revenue Model” by adding the total value of the project to the model, but without assuming that a value limitation is approved. This information is detailed in Table 2.

Additionally, a separate model is established to make a calculation of the “Value Limitation Revenue Model” by adding the project’s limited value of \$30 million to the model. These results are shown in Table 3.

**Table 2- "Baseline Revenue Model"--Project Value Added with No Value Limitation**

Year of Agreement	School Year	M&O Taxes @ Compressed Rate		Additional State Aid-Hold Harmless	Recapture Costs	Additional Local M&O Collections	State Aid From Additional M&O Tax Collections	Recapture from the Additional Local Tax Effort	Other State Aid	Total General Fund
		State Aid	State Aid							
Pre-Year 1	2014-15	\$8,045,218	\$3,024,146	\$691,984	\$0	\$610,028	\$327,013	-\$15,263	\$50,104	\$12,733,229
1	2015-16	\$6,203,333	\$2,340,687	\$3,217,328	\$0	\$470,367	\$198,069	-\$17,661	\$51,711	\$12,463,833
2	2016-17	\$6,716,530	\$4,227,938	\$816,880	\$0	\$509,281	\$410,120	\$0	\$51,230	\$12,731,978
3	2017-18	\$6,665,351	\$3,704,268	\$0	\$0	\$505,400	\$340,741	-\$5,058	\$51,288	\$11,261,989
4	2018-19	\$6,627,488	\$3,756,491	\$0	\$0	\$502,529	\$344,552	-\$4,386	\$51,332	\$11,278,005
5	2019-20	\$6,589,467	\$3,795,126	\$0	\$0	\$499,646	\$346,950	-\$3,881	\$51,376	\$11,278,683
6	2020-21	\$6,551,289	\$3,833,923	\$0	\$0	\$496,752	\$349,358	-\$3,374	\$51,421	\$11,279,368
7	2021-22	\$6,512,952	\$3,872,881	\$0	\$0	\$493,844	\$352,361	-\$2,865	\$51,465	\$11,280,638
8	2022-23	\$6,474,458	\$3,912,000	\$0	\$0	\$490,926	\$354,794	-\$2,353	\$51,505	\$11,281,329
9	2023-24	\$7,917,312	\$3,951,280	\$0	\$0	\$0	\$0	\$0	\$51,005	\$11,919,597
10	2024-25	\$7,840,679	\$2,524,642	\$0	\$0	\$594,519	\$267,647	-\$20,446	\$50,307	\$11,257,348
11	2025-26	\$7,801,748	\$2,557,176	\$0	\$0	\$591,568	\$269,213	-\$20,005	\$50,336	\$11,250,036
12	2026-27	\$7,758,912	\$2,589,125	\$0	\$0	\$588,319	\$271,190	-\$19,561	\$50,377	\$11,238,362
13	2027-28	\$7,716,075	\$2,632,836	\$0	\$0	\$585,071	\$273,894	-\$18,993	\$50,417	\$11,239,299
14	2028-29	\$7,673,238	\$2,676,546	\$0	\$0	\$581,824	\$276,598	-\$18,426	\$50,457	\$11,240,236
15	2029-30	\$7,630,402	\$2,720,257	\$0	\$0	\$578,575	\$279,302	-\$17,859	\$50,498	\$11,241,175

**Table 3- "Value Limitation Revenue Model"--Project Value Added with Value Limit**

Year of Agreement	School Year	M&O Taxes @ Compressed Rate		Additional State Aid-Hold Harmless	Recapture Costs	Additional Local M&O Collections	State Aid From Additional M&O Tax Collections	Recapture from the Additional Local Tax Effort	Other State Aid	Total General Fund
		State Aid	State Aid							
Pre-Year 1	2014-15	\$8,045,218	\$3,024,146	\$691,984	\$0	\$610,028	\$327,013	-\$15,263	\$50,104	\$12,733,229
1	2015-16	\$5,822,249	\$2,340,687	\$3,598,412	\$0	\$441,472	\$186,090	-\$16,576	\$52,040	\$12,424,373
2	2016-17	\$5,822,249	\$4,609,022	\$1,330,077	\$0	\$441,472	\$407,946	\$0	\$52,010	\$12,662,775
3	2017-18	\$5,822,249	\$4,609,022	\$0	\$0	\$441,472	\$407,946	\$0	\$52,022	\$11,332,711
4	2018-19	\$5,822,249	\$4,609,022	\$0	\$0	\$441,472	\$407,946	\$0	\$52,034	\$11,332,723
5	2019-20	\$5,822,249	\$4,609,022	\$0	\$0	\$441,472	\$407,946	\$0	\$52,044	\$11,332,733
6	2020-21	\$5,822,249	\$4,609,022	\$0	\$0	\$441,472	\$407,946	\$0	\$52,055	\$11,332,744
7	2021-22	\$5,822,249	\$4,609,022	\$0	\$0	\$441,472	\$407,946	\$0	\$52,066	\$11,332,755
8	2022-23	\$5,822,249	\$4,609,022	\$0	\$0	\$441,472	\$407,946	\$0	\$52,072	\$11,332,761
9	2023-24	\$7,302,809	\$4,609,022	\$0	\$0	\$0	\$0	\$0	\$51,479	\$11,963,310
10	2024-25	\$7,265,934	\$3,142,942	\$0	\$0	\$550,939	\$307,492	-\$12,452	\$50,805	\$11,305,659
11	2025-26	\$7,801,748	\$3,135,874	\$0	\$0	\$591,568	\$329,494	-\$13,457	\$50,336	\$11,895,563
12	2026-27	\$7,758,912	\$2,589,125	\$0	\$0	\$588,319	\$271,190	-\$19,561	\$50,377	\$11,238,362
13	2027-28	\$7,716,075	\$2,632,836	\$0	\$0	\$585,071	\$273,894	-\$18,993	\$50,417	\$11,239,299
14	2028-29	\$7,673,238	\$2,676,546	\$0	\$0	\$581,824	\$276,598	-\$18,426	\$50,457	\$11,240,236
15	2029-30	\$7,630,402	\$2,720,257	\$0	\$0	\$578,575	\$279,302	-\$17,859	\$50,498	\$11,241,175

Table 4 displays the results of the comparison between the Baseline Revenue Model and the Value Limitation Revenue Model (Tables 2 and 3). The difference between the two models indicates there will be a total revenue loss of \$108,663 over the course of the Agreement, in the first two limitation years. Nearly all of the reduction in M&O taxes under the limitation

agreement is offset through an increase in ASATR funding--\$381,084 in 2015-16 and \$517,197 in 2016-17—and other formula state aid under current law.

**Table 4 – Value Limit less Project Value with No Limit**

Year of Agreement	School Year	M&O Taxes @ Compressed Rate		Additional State Aid-Hold Harmless	Recapture Costs	Additional Local M&O Collections	State Aid From Additional M&O Tax Collections	Recapture from the Additional Local Tax Effort	Other State Aid	Total General Fund
		Rate	State Aid							
Pre-Year 1	2014-15	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1	2015-16	-\$381,084	\$0	\$381,084	\$0	-\$28,895	-\$11,979	\$1,085	\$329	-\$39,460
2	2016-17	-\$894,281	\$381,084	\$513,197	\$0	-\$67,809	-\$2,174	\$0	\$780	-\$69,203
3	2017-18	-\$843,102	\$904,754	\$0	\$0	-\$63,928	\$67,205	\$5,058	\$734	\$70,721
4	2018-19	-\$805,239	\$852,531	\$0	\$0	-\$61,057	\$63,394	\$4,386	\$702	\$54,717
5	2019-20	-\$767,218	\$813,896	\$0	\$0	-\$58,174	\$60,996	\$3,881	\$668	\$54,049
6	2020-21	-\$729,040	\$775,099	\$0	\$0	-\$55,280	\$58,588	\$3,374	\$634	\$53,375
7	2021-22	-\$690,703	\$736,141	\$0	\$0	-\$52,372	\$55,585	\$2,865	\$601	\$52,117
8	2022-23	-\$652,209	\$697,022	\$0	\$0	-\$49,454	\$53,152	\$2,353	\$567	\$51,431
9	2023-24	-\$614,503	\$657,742	\$0	\$0	\$0	\$0	\$0	\$474	\$43,713
10	2024-25	-\$574,745	\$618,300	\$0	\$0	-\$43,580	\$39,845	\$7,993	\$498	\$48,311
11	2025-26	\$0	\$578,698	\$0	\$0	\$0	\$60,281	\$6,548	\$0	\$645,527
12	2026-27	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
13	2027-28	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
14	2028-29	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
15	2029-30	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

**M&O Impact on the Taxpayer**

Table 5 summarizes the impact of the property value limitation in terms of the potential tax savings to the taxpayer under the property value limitation agreement. The focus of this table is on the M&O tax rate only. A \$1.04 per \$100 M&O tax rate is assumed in 2014-15 (the most recent year available) and thereafter.

Under the assumptions used here, the potential tax savings from the value limitation total \$7.5 million over the life of the agreement. The WISD revenue losses are expected to total approximately \$108,663 over the course of the agreement. In total, the potential net tax benefits (after hold-harmless payments are made) are estimated to total \$7.36 million. While legislative changes to ASATR funding could increase the hold-harmless amount owed in the initial limitation years under these estimates, there would still be a substantial tax benefit to the Company under the value limitation agreement for the remaining years that the limitation is in effect.

**I&S Funding Impact on School District**

The project remains fully taxable for debt services taxes, with WISD currently levying a \$0.075 per \$100 I&S rate. The value of the Woodville Lumber project is expected to depreciate over the life of the agreement and beyond, but with full access to the additional value, local taxpayers should benefit from the addition of the Woodville Lumber project to the local I&S tax roll.

**Table 5 - Estimated Financial Impact of the Woodville Lumber Project Property Value Limitation Request Submitted to WISD at \$1.04 per \$100 M&O Tax Rate**

Year of Agreement	School Year	Project Value	Estimated Taxable Value	Value Savings	Assumed M&O Tax Rate	Taxes Before Value Limit	Taxes after Value Limit	Tax Savings @ Projected M&O Rate	Tax Benefit to Company Before Revenue Protection	School District Revenue Losses	Estimated Net Tax Benefits	
Pre-Year 1	2014-15	\$0	\$0	\$0	\$1.040	\$0	\$0	\$0	\$0	\$0	\$0	
1	2015-16	\$59,421,105	\$20,000,000	\$39,421,105	\$1.040	\$617,979	\$208,000	\$409,979	\$409,979	-\$39,460	\$370,519	
2	2016-17	\$113,592,008	\$20,000,000	\$93,592,008	\$1.040	\$1,181,357	\$208,000	\$973,357	\$973,357	-\$69,203	\$904,154	
3	2017-18	\$108,189,799	\$20,000,000	\$88,189,799	\$1.040	\$1,125,174	\$208,000	\$917,174	\$917,174	\$0	\$917,174	
4	2018-19	\$104,193,147	\$20,000,000	\$84,193,147	\$1.040	\$1,083,609	\$208,000	\$875,609	\$875,609	\$0	\$875,609	
5	2019-20	\$100,179,827	\$20,000,000	\$80,179,827	\$1.040	\$1,041,870	\$208,000	\$833,870	\$833,870	\$0	\$833,870	
6	2020-21	\$96,149,841	\$20,000,000	\$76,149,841	\$1.040	\$999,958	\$208,000	\$791,958	\$791,958	\$0	\$791,958	
7	2021-22	\$92,103,188	\$20,000,000	\$72,103,188	\$1.040	\$957,873	\$208,000	\$749,873	\$749,873	\$0	\$749,873	
8	2022-23	\$88,039,869	\$20,000,000	\$68,039,869	\$1.040	\$915,615	\$208,000	\$707,615	\$707,615	\$0	\$707,615	
9	2023-24	\$83,959,883	\$20,000,000	\$63,959,883	\$0.925	\$776,629	\$185,000	\$591,629	\$591,629	\$0	\$591,629	
10	2024-25	\$79,863,230	\$20,000,000	\$59,863,230	\$1.040	\$830,578	\$208,000	\$622,578	\$622,578	\$0	\$622,578	
11	2025-26	\$75,749,911	\$75,749,911	\$0	\$1.040	\$787,799	\$787,799	\$0	\$0	\$0	\$0	
12	2026-27	\$71,228,258	\$71,228,258	\$0	\$1.040	\$740,774	\$740,774	\$0	\$0	\$0	\$0	
13	2027-28	\$66,706,605	\$66,706,605	\$0	\$1.040	\$693,749	\$693,749	\$0	\$0	\$0	\$0	
14	2028-29	\$62,184,952	\$62,184,952	\$0	\$1.040	\$646,724	\$646,724	\$0	\$0	\$0	\$0	
15	2029-30	\$57,663,299	\$57,663,299	\$0	\$1.040	\$599,698	\$599,698	\$0	\$0	\$0	\$0	
							\$12,999,385	\$5,525,743	\$7,473,642	\$7,473,642	-\$108,663	\$7,364,979

The project is not expected to affect WISD in terms of enrollment. Continued expansion of the project and related development could result in additional employment in the area and an increase in the school-age population, but this project is unlikely to have much impact on a stand-alone basis.

**Note: School district revenue-loss estimates are subject to change based on numerous factors, including:**

- Legislative and Texas Education Agency administrative changes to the underlying school finance formulas used in these calculations.
- Legislative changes addressing property value appraisals and exemptions.
- Year-to-year appraisals of project values and district taxable values.
- Changes in school district tax rates and student enrollment.